

# **Global Grammar:**

## **Successes and Failures in the International Business of Japanese Animation Production**

### **Part 2: Interview with TMS Entertainment's International Division Senior Supervisor**

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#### **Introduction**

Japanese animation production company TMS Entertainment, from 1980 onwards, was at the forefront of a revolutionary global strategy to sell licenses to its back-catalogue of animated works to foreign broadcasters. In the previous installment of this study, it was posited that while some endeavours were more successful than others, even the setbacks provided TMS with knowledge to further tackle the next steps in international distribution as well as manage overseas co-productions.

Some of the examples cited in the study illustrated particularities of some shows and how effective these were as factors in successfully selling the work to distributors and broadcasters. In this second part of the project, we will look further in detail at these cases to clarify some concerning details with the help of Satoji Yoshida, the senior supervisor at the international division of TMS.

In the previous part of this case study I used citations from early 1980s interviews with Yoshida and Sachiko Tsuneda of the international division. Tsuneda was TMS's globally-minded founder Yutaka Fujioka's interpreter on many of his trips abroad and eventually Yoshida and Tsuneda established the international division to seek clients for the overseas licensing of content. Their first work to be successfully marketed abroad, as previously described, was *Ienakiko*. This paper aims to

provide further details to the business practices of TMS in attempting to promote their works overseas, and building new relations in the process leading to co-productions and further deals.

### The key to global success: *Kanjou-Inyuu*

While I have already described the strategies employed in negotiating the European broadcasts, Yoshida goes into further detail regarding how the Middle Eastern distribution deals for *Ienakiko* emerged, which opened the floodgates to a wide variety of Japanese animation suddenly entering the Gulf.

The story, as Yoshida tells it, goes as follows. After successfully marketing the show to the RAI network in Italy through a deal with Luciano Scaffa, head of children's programming for RAI from 1979–1993, next was the AVRO network in the Netherlands, with whom a similar strategy was employed and also met with success, in particular in the merchandising aspect. Many products were released in the target region through licensor Hans Kortekaas, with many items such as storybooks and toys bearing the Kortekaas Merchandising logo.

Yoshida continued to pitch contents to prospective buyers as he always did in international trade shows like MIPCOM<sup>1</sup>, building up on the successful factors that had been established in the Italian and Dutch deals for the broadcast of *Ienakiko* in those respective regions. During this time, a United Arab Emirates consul to the Netherlands arrived home from work in the evening to find his child crying in front of the television set. The following week, again, upon arriving home, he found his son with tears streaming down his face, in front of the television. When he sat and watched the show – *Ienakiko* – he found that there was something unique to this show, that could become a big hit in the Arab world. It was that reaction that led him to seek out a way to realize this, and eventually he travelled to Cannes to introduce himself to Yoshida at a trade show and to ask for *Ienakiko* to be brought to the Middle East. This move, most likely the first example of a Japanese intellectual property to be successfully marketed in the Middle East, later proved to be

an enormous opportunity, with *Ienakiko*'s success creating an appetite in audiences for subsequent shows, and eventually the Middle East became a major hub for consumption of Japanese animation contents, with series broadcast like *Takarajima*, *Tetsujin 28-gou*, *Ohayou Spank!* and more, as well as an extremely wide range of series on DVD available today – even shows which have long been out of print or unavailable in Japan<sup>2</sup>.

Yoshida concludes thus: A quality which he describes as *kanjou-inyuu*, where, contrary to shallow entertainment to keep children quiet (*kodomo-damashi*), is what seemed most attractive to viewers around the world. *Kanjou-inyuu* is essentially, the opportunity for the viewer to invest his/her emotions into the onscreen characters and their situations, a factor in Japanese television animation which developed as a result of the usage of limited animation – since interest could not be visually sustained, writers wrote compelling characters and complex, gradually developing storylines which would intrigue and bring the audience back every week, rather than simply being a vehicle for mindless action or slapstick comedy. Though some editing is required in certain instances, the fact that the basic themes explored in the contents are consumed in virtually the same way across the globe means that there is certainly some truth in this quality as being seemingly universally compatible, and the encoded symbols representative of the animation medium trigger a certain response in the viewer which is not necessarily dependent on certain cultures or customs. That the Japanese animation production system allowed for a mass-produced wealth of contents over several decades that, although at first targeted towards a domestic audience, eventually reached many parts of the world with the same components to trigger the same emotional responses as their original targets, is a testament to both the system itself and the creators who devised and employed it. By the year 1980 there had already been a rich catalogue of works established with all manner of themes and content, and since then there have been more still.

One of the important factors for the successful process of *kanjou-inyuu* is – simple as it may sound – to keep the audience interested. Many TV animation serials in Japan did this by having an ongoing

story that the viewer would have to tune into to watch every week, but even self-contained episodic series like *Meitantei Conan* or *Lupin III* succeed in this way because the experience of watching the character interactions and the storytelling patterns ranging from calm, serene scenes to climactic action within the space of a half-hour, work to stimulate the emotions of the viewer enticing him/her to return every week.

In fact, in a 1981 interview<sup>3</sup>, Yoshida explains that along with the ability to produce a vast amount of material in a short space of time, the main selling point which was unique to Japanese animation during that time was the concept of *kanjou-inyuu*. He goes on to presciently describe how in the future, this will lead to further international interest in Japanese animation, and make the medium truly global. Speaking to him in 2011, it is clear he was right.

### **Change in game plan: dealing with U. S. market peculiarities**

From 1979 onwards, when TMS began to seriously consider overseas territories as possible buyers for their animated material, they began conducting research on the nature of ratings for animated programming in several regions, as well as what kinds of broadcast formats exist in different countries. This information was mostly compiled from TMS's interactions with industry representatives in trade shows like MIPCOM, which have been described in greater detail earlier. The first countries that TMS began to do business with were Germany, Italy, France, Portugal, Spain and the Netherlands, in a steadily-expanding network of influence. But North America had to be considered a separate category with its own characteristics, for which a special approach would have to be taken.

With regards to the notable absence of TMS's presence in the U. S. market during the early 1980s as opposed to their ever-growing success in Europe, South America and the Middle East, it is indicative of a number of issues requiring an entirely different approach to be implemented in attempting to capture the same success as the other regions.

Prior to 1980, the main forms of animated entertainment consumed

in the United States were Hannah-Barbera-produced simple television comedies like *The Flintstones*, and theatrical animation like Disney features. Since the home video market had yet to fully emerge as a viable and affordable medium for many, Disney works could only be enjoyed outside of the home for a price, while Hannah-Barbera had a stranglehold on television content, in particular within the cartoon-oriented Saturday-morning slots. Targets were young children, and the content was overly simple, self-contained stories without development. Therefore, TMS saw an opening in the market in terms of needs, that is to say, the story-oriented aspect of Japanese animation contents which had proved to be successful around the world. According to Yoshida, however, the two main hurdles faced when attempting to sell TMS works to the United States both relate to broadcasters' practices, and they were the syndication system, and the issue of scheduling.

The Japanese standard of animation programming was to secure a 30-minute slot of airtime and provide 24–25 minutes of content, with the remainder comprised of commercials. The first step for TMS was to conduct research into which regions were home to markets which bore similarities to this Japanese system. We know from the results as discussed above and in the previous installment of this study that the greatest compatibility was seen in the European and Latin American markets at first, which were emerging markets of private broadcasting corporations hungry for affordable content to purchase.

However the U. S. did not provide an ideal platform for Japanese animated programming, primarily due to the 19 or 20-minutes time frame regarded as standard there. Additionally, commercial spots—the sections in which the programme's content is interrupted to introduce advertisements—differ in length and number, as well as their position within that half-hour. Lastly, there was the issue of the syndication market: the viable alternative to the national networks' weekend morning allocation for cartoons. The syndication was based on independent contracts with local stations as opposed to dealing with the national broadcast networks. The main hurdle with this syndication system was the problem of the requisite number of episodes to fulfill the syndicated

broadcast. The standard syndication procedure during the 1980s for televised animation was a contract of one half-hour scheduled for once every week, with a minimum of 65 episodes to sustain the 13-week season period as standard.

In general, most Japanese animated TV series at this time were mostly planned for either 26 episodes (two story arcs of 13 weekly episodes each, with half a year of broadcast in total) or 52 episodes (four arcs, running for a year in total). These days, one series of two story arcs totaling 26 weekly episodes is standard. The incompatibility with the U. S. system is apparent, but there were attempts to break into it nevertheless, among the most famous of which being the example of *Robotech*. In an attempt to bring the successful series *Super Dimension Fortress Macross* to the United States as a syndicated broadcast, businessman Carl Macek undertook some elaborate editing processes to fit the problematic requirements. Since *Macross* was 36 episodes and thus not enough to meet the episode-count requisite, he added two more thematically-similar science-fiction shows and edited them together to form one long 85-episode saga that would please the broadcasters, in a process that remains controversial among Japanese animation fan communities to this day.

Yoshida ensures that such a kind of editing process would not be considered with TMS works for the simple reason that TMS never at any point in time sold editing rights to other parties, and emphasizes that full ownership of their productions is of utmost importance. Over the years, there have been several examples of Japanese intellectual property that has been heavily edited and in some cases even transformed into an entirely new creation like with *Robotech*, often without the involvement of the original creators, and TMS is therefore committed to full control over how its IP is handled all around the world.

The type of licensing contracts that TMS signs with distributors, therefore, takes a very precautionary form, and does not “sell” the content outright like the previous examples, ensuring that TMS maintain full ownership at all times. Simply put, there are two main contract types for the TMS-produced animated works: one is a two-time broad-

cast deal with an expiry date of three years, and the other is a standard three-year period license — meaning that whether the show is broadcasted or not during that time is irrelevant. After the three-year period, those rights return to TMS to make distribution contracts with other companies. In the case of shows with prolonged popularity worldwide such as *Ienakiko/Remi*, thirty years have passed since it was produced and it is still being rerun in various regions. This is a result of the broadcasters renewing those same contracts with TMS every three years, even to this day. The process of formulating contracts is done at the aforementioned contents trade shows, where clips of the works would be showcased and catalogues with summaries and synopses of the contents would be distributed to potential clients. These are rendered completely in English, with all the titles also translated. Each animated programme would also have its own in-house-produced English-version superimposed titles and the original Japanese staff credits rendered in Roman letters. In addition, a music index listing all of the music tracks in the show and a music cue sheet designating where the music is being used in every scene of every episode must be included when exporting the show to facilitate the foreign-language dubbing process.

To this day, TMS's international activities mainly deal with three main regions: Asia, Europe, and the Americas. The success of *Ienakiko* led to further World Masterpiece Theater-style works to follow, and *Takarajima (Treasure Island)*, *Berusaiyu no Bara (The Rose of Versailles)*, *Sherlock Hound*, *My Patraasche*, etc were also highly successful in Europe and Latin America. On the other hand, TMS made attempts to sell its toy-oriented robot shows abroad also. This is where we encounter the problems described in the last paper, such as the European market already having become saturated since the 1970s with *Goldorak/Grendizer* and similar shows, as well as issues of producing animation originating from a toy merchandising concept, which was originally outlawed in the United States. TMS maintains that although these projects were obviously borne out of a desire to profit on merchandising, the intention to involve the audience and have them invest

emotionally remains, and thus the characters and their interactions have to be seriously planned out with a high degree of artistic integrity.

After the aforementioned *Ulysses 31* series was marketed in various territories, and with the 1983 legislation to allow toy-merchandising-oriented programming on the US airwaves having passed, TMS continued to work closely with DIC AudioVisuel and Jean Chalopin to bring half-hour animated series in a variety of genres specifically to the US syndication market, ranging from comedies like *Inspector Gadget* and *Heathcliff* to science-fiction and action like *MASK* and *Jayce & the Wheeled Warriors*. These subsequent works, however, were not true co-productions like *Ulysses*, rather they were US productions which were outsourced to TMS for their high production values and relatively low cost. DIC and TMS were certainly not the only parties operating in this fashion, and many other similar cases can be seen from the mid-to-late-1980s period, for example Rankin-Bass earned an enormous hit with their action series *Thundercats* and follow-up, *Silverhawks*. A third, less successful, Rankin-Bass production, *Tigersharks*, was also produced. Veteran animator Noboru Ishiguro recalls his experience in working on that show as somewhat frustrating, claiming that he was ordered to re-draw the storyboards again and again, to further simplify them. For Ishiguro, this was a realization that visual grammar in cartoon performances for Western audiences was quite different from that of Japanese animated contents produced for the domestic market, in spite of the fact that many of these “problematic” instances of performance grammar were heavily influenced from live-action Hollywood movies, which were highly regarded by the main players of the generation which developed the 1960s TV animation industry, like Ishiguro and Osamu Tezuka<sup>4</sup>.

Lastly, there was the issue of content, where again, strict regulations governed what could and could not be shown in children’s programming in the United States. Yoshida explains that of course there was a desire to meet the wishes of the censors, but at the same time, overly tight rules meant that often many of the conflicts depicted in the animated works could not be shown without heavy editing. He goes on



to say that eventually you end up with a show which is totally uninteresting to anybody because there is no sense of danger, excitement or emotion, it becomes too peaceful. Compared to this US situation, much of the original Japanese content was actually broadcast in Asian and European regions with only minimal editing.

### **Merchandising and Remi, once more**

One of the main factors for the success of *Remi* in European territories was the 3D aspect described in the previous paper.

Upon closer inspection of the evidence, part of the marketing strategy for the domestic appeal of *Ienakiko* in Japan was that it was advertised as the animation series to commemorate the 25th anniversary of the NTV network. For this reason, a much larger than average budget allotment was granted to TMS for the production. Thus, the technical mechanisms described previously to achieve the 3D effects were only possible due to this higher budget, and was atypical, rather, completely exceptional, for a standard televised animation series.

The process involved investing in the construction of a multi-plane camera to provide the visuals seen in the show, where several layers of cels scroll over one another to induce the Pulfrich effect, triggered when wearing special glasses—creative machinery so expensive and laborious to utilize that a similar show would not be produced as a serial again until 1993<sup>5</sup>.

Yoshida acknowledges that in fact the 3D aspect was a major player in the move to market the contents abroad, and he describes the process of developing affordable lenses to be distributed in those regions as an arduous task. At first the lenses were to be designed similar to normal glasses with ear-frames, but the volume of material wasted when cutting out the frames from the card proved not to be very cost-effective. Thus many different shapes and ideas were experimented with, such as perforating the frame card at the edge of each lens and running a rubber band through the holes. However, the issue this time was that it opened up some risk factors due to the possibility that the

end-user, being a child, might end up injuring him/herself using it. There were also numerous safety regulations in the various regions to similar effect which further limited the options for design ideas, for example if a child kept the glasses on using the rubber band and went outside in a state of impaired vision and got into an accident, the manufacturer/producer would be found liable. It was eventually decided that the glasses would not have a way of staying on the head and would remain hand-held, thus circumventing many of these troublesome issues (if an accident were to happen in this state, the user would be found responsible rather than the manufacturer). Once the design was finalized from a roster of prototypes, the distribution method for overseas viewers of *Ienakiko* was to include them as pack-ins with local magazines and newspapers<sup>6</sup>.



Fig. 1 *Remi/Ienakiko* dolls and figures, with storybooks in the background featuring the Dutch title *Alleen op de Wereld*. From the TMS contents catalogue distributed at international media content trade shows.

## Conclusion

The ambition of TMS founder Yutaka Fujioka for TMS to become an international standard for TV animation has been in the process of realization for over 30 years now, and TMS played a vital role in the formation of children's televised entertainment throughout the world through its business practices, spearheaded by a combined philosophy

of adaptability to other cultures and the spread of innovation and influence. Though TMS faced certain troubles time and again, they provide to this day a positive outlook which spreads across a global playing field, of which they were pioneers. Yoshida explains that the key to success in this period where media-oriented business schemes are out of date within one or two years, is a method of on-the-job-training – thus he takes along younger employees overseas to the trade shows and fairs so they may experience the one-on-one interactions with clients that made TMS a reputable global company and will continue to keep the process of selling content overseas alive into the future.

With DVDs and other videogram sales declining and television broadcasts becoming ever more de-centralized, the new challenge now is predicting which of the upcoming content-carrying media innovations will have any longevity. In some cases the lifetime of the hardware for which contents are being produced may be shorter than the production period needed for those contents. In that case, there is a great risk of losses, even before piracy and other such issues are taken into account, so understandably much further research is needed to analyze market trends and their relationship with emerging technologies. Since joining the Sega-Sammy Holdings group in 2010<sup>7</sup>, the focus for TMS's policy of overseas distribution has been on newer methods of managing content, such as distribution on Smart TV or Micro SD formats. Recently, around a hundred titles were showcased for Smart TV by TMS at the Las Vegas CES 2011. It is notable that despite the many changes that the contents industry has undergone throughout the years, and will continue to undergo in the future, the philosophy of *kanjou-inyuu* remains at its core in all aspects of the productions and is the universal factor which spreads across the globe, thus it will be interesting to see where the company goes from here.

### Notes

- 1 See Rivera Rusca, Renato, 2012: "Global Grammar: Successes and Failures in the International Business of Japanese Animation Production Part 1:

- Case Study of TMS Entertainment 1980-1985,” 明治大学教養論集第 476 号, pp. 109-134.
- 2 “The National”, a United Arab Emirates news site describes in a 2010 article that the Gulf Cooperation Council’s Joint Program Production Institution had obtained rights to Japanese animation and showed them, dubbed by Kuwaiti, Syrian and Iraqi actors, on television every day from 4 pm. Notably, not all of these were TMS productions. They were taken off the air in 1995, and became available again on DVD in recent yearsthrough a company named Al Wadi. However, the article also states that Al Wadi “collected fans’ sometimes shaky VHS recordings”, because the original broadcast tapes had “long vanished”, which brings into question the legalities in terms of copyright issues.  
(<http://www.thenational.ae/arts-culture/books/dvds-offer-nostalgic-return-of-old-friends>) (last accessed January 9, 2012)
  - 3 *Gekkan OUT*, January 1981, 88.
  - 4 From a series of interviews with Noboru Ishiguro conducted in May, 2011 onwards.
  - 5 *The Bots Master*. (See Rivera Rusca 2012). This production was likely made possible by circumventing the expense of implementing a multi-plane camera and simply using computer technology. Around this time, computers were starting to be used in animated shows for television, with many experimental shows appearing. Jean Chalopin, as producer of *The Bots Master*, probably based the idea for his show off the techniques in *Ienakiko*, since he was the one who produced the titles for the French edition, *Remi*.
  - 6 In the case of *The Bots Master*, the glasses came as a bonus packaged with the toys, fulfilling the ingenious perpetual merchandising cycle of young viewers who watch the show and then want the toys, then are able to enjoy the show again on another level, which in turn makes them want more toys, et cetera.
  - 7 “Notice Concerning Exchange of Shares to Convert Sammy Networks Co., Ltd., Sega Toys Co., Ltd. and TMS Entertainment, Ltd. into Wholly Owned Subsidiaries of Sega Sammy Holdings Inc.” <http://www.tms-e.com/english/pdf/100827kogaisya.pdf>. The merger also included Sega Toys, along with Sammy Networks (last accessed January 9, 2012).